

- "(i) Eating
- "(ii) Toileting
- "(iii) Transferring,
- "(iv) Bathing
- "(v) Dressing
- "(vi) Continence.

A contract shall not be treated as a qualified long-term care insurance contract unless the determination of whether an individual is a chronically ill individual takes into account at least 5 of such activities.

"(3) MAINTENANCE OR PERSONAL CARE SERVICES.—The term maintenance or personal care services means any care the primary purpose of which is the provision of needed assistance with any of the disabilities as a result of which the individual is a chronically ill individual (including the protection from threats to health and safety due to severe cognitive impairment).

"(4) LICENSED HEALTH CARE PRACTITIONER.—The term licensed health care practitioner means any physician (as defined in section 1861(r)(1) of the Social Security Act) and any registered professional nurse, licensed social worker, or other individual who meets such requirements as may be prescribed by the Secretary.

"(d) AGGREGATE PAYMENTS IN EXCESS OF LIMITS.—

"(1) IN GENERAL.—If the aggregate of—

"(A) the periodic payments received for any period under all qualified long-term care insurance contracts which are treated as made for qualified long-term care services for an insured, and

"(B) the periodic payments received for such period which are treated under section 101(a) as paid by reason of the death of such insured,

exceeds the per diem limitation for such period, such excess

shall be includible in gross income without regard to section

72. A payment shall not be taken into account under subparagraph (B) if the insured is a terminally ill individual (as defined

in section 101(g)) at the time the payment is received.

"(2) PER DIEM LIMITATION.—For purposes of paragraph (1),

the per diem limitation for any period is an amount equal

to the excess (if any) of—

"(A) the greater of—

"(i) the dollar amount in effect for such period

under paragraph (4), or

"(ii) the costs incurred for qualified long-term care services provided for the insured for such period, over

"(B) the aggregate payments received as reimbursements (through insurance or otherwise) for qualified long-term care services provided for the insured during such period.

"(3); AGGREGATION RULES.—For purposes of

this sub-
section-

"(A) all persons receiving periodic payments described in paragraph (1) with respect to the same insured shall be treated as 1 person. and

"(B) the per diem limitation determined under paragraph (2) shall be allocated first to the insured and any remaining limitation shall be allocated among the other